


ANALYSIS

This ordinance amends Title 2 – Administration, of the Los Angeles County Code by:

- Amending the local small business preference regarding contracts and purchases funded by the federal government in order to comply with applicable federal procurement regulations.

RAYMOND G. FORTNER, JR.
County Counsel

By 
BARBARA Y. GOUL
Principal Deputy County Counsel
Government Services Division

BYG:plp

3/22/07 (requested)

6/6/07 (revised)

ORDINANCE NO. _____

An ordinance amending Title 2 - Administration of the Los Angeles County Code, relating to the local small business enterprise preference program.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 2.204.030 is hereby amended to read as follows:

2.204.030 Definitions.

For the purpose of this chapter, the following words and phrases are defined and shall be construed as having the following meaning:

A. "County" shall mean the county of Los Angeles or any public entities for which the board of supervisors is the governing body.

B. "Department" shall mean the county department, entity, or organization responsible for the solicitation.

C. "Local small business enterprise" shall mean:

1. ~~A business having its principal office located in Los Angeles County for at least one year; and~~ A business which is certified by the State of California as a small business and has had its principal office located in Los Angeles County for at least one year; or

2. ~~A business certified as a small business by the state of California~~ In federally funded County solicitations subject to the federal restriction on geographical preferences, a business which is certified as small by the SBA or which is registered as small on the federal Central Contractor Registration data base.

D. ~~"Solicitation" shall mean the county's process to obtain bids or proposals for goods and services~~ "SBA" shall mean the federal Small Business Administration.

E. "Solicitation" shall mean the county's process to obtain bids or proposals for goods and services.

SECTION 2. Section 2.204.051 is hereby added to read as follows:

2.204.051 Certification as a small business enterprise in certain federally funded county solicitations.

Where geographic preferences are precluded by federal funding restrictions, County departments shall be responsible for verifying that a small business enterprise is certified by the SBA or is registered as small on the federal Central Contractor Registration data base.

SECTION 3. Section 2.204.080 is hereby amended to read as follows:

2.204.080 Violations and sanctions.

A. The information furnished by each solicitation respondent requesting a local small business enterprise preference shall be under penalty of perjury.

B. No person or business shall knowingly and with intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a local small business enterprise for the purpose of this chapter.

C. No person or business shall willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a county official or employee for the purpose of influencing the certification or denial of certification of any entity as a local small business enterprise.

D. A business which has obtained county certification as a local small business enterprise by reason of having furnished incorrect supporting information or by

reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded a contract to which it would not otherwise have been entitled, shall:

1. Pay to the county any difference between the contract amount and what the county's costs would have been if the contract had been properly awarded;
2. In addition to the amount described in subdivision 1 of subsection D of this section, be assessed a penalty in an amount of not more than 10 percent of the amount of the contract involved; and
3. Be subject to the provisions of Chapter 2.202 of the county code (Determinations of Contractor Non-responsibility and Contractor Debarment).

E. The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the state and OAAC of this information prior to responding to a solicitation or accepting a contract award.

[2204030BGCC]